

## **GENERAL FUND**

The General Fund is the general operating fund of the City. Fund expenditures include basic City services, such as police protection, street maintenance, and recreation. Administrative services, such as human resources and financial management, are also accounted for in the General Fund.

Major revenue sources for the General Fund are taxes and utility fees and intergovernmental revenues. Revenues derived from real property taxation provide the vast majority of the City's operating revenues. Tax duplication payments from Montgomery County also provide a significant portion of General Fund revenues. Commonly referred to as "rebates", these payments are intended to compensate Takoma Park for those services that would be provided by Montgomery County if the City did not provide them. Other General Fund revenues are derived from licenses and permits, fines and forfeitures, investment earnings, and miscellaneous fees and charges.

The City utilizes Generally Accepted Accounting Practice (GAAP) based budgeting for the General Fund. This requires that the modified accrual method of accounting be used to record revenues and expenditures. Revenues are recognized when subject to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities for the same period.

Revenues subject to accrual are property taxes and investment income. User charges, fines and forfeitures, permits, and miscellaneous revenues are not subject to accrual because generally they are not measurable until received in cash.

A key element of the budget is the projected ending fund balance. The fund balance represents the unappropriated accumulation of the difference between actual revenues and expenditures. The source and timing of revenues dictate the level of fund balance necessary to avoid cash shortages in normal day-to-day operations. The City recognizes the need to establish and to maintain adequate reserves to avoid any disruption in services caused by a decline in a significant revenue source and to address timing differences in the receipt of monies.

**FY 2007 BUDGET SUMMARY - GENERAL FUND**

	<b><u>Audited FY03</u></b>	<b><u>Audited FY04</u></b>	<b><u>Audited FY05</u></b>	<b><u>Budgeted FY06</u></b>	<b><u>Estimated FY06</u></b>	<b><u>Budgeted FY07</u></b>
<b><u>REVENUES</u></b>						
Taxes and utility fees	8,115,007	8,618,452	9,826,025	9,975,839	9,974,777	10,899,792
Licenses and permits	30,686	60,841	63,610	66,854	56,024	56,754
Fines and forfeitures	130,455	104,539	179,323	186,000	193,000	178,000
Use of money and property	174,989	67,280	130,511	106,000	155,500	111,000
Charges for service	569,734	535,401	662,179	580,000	570,600	661,600
Intergovernmental	3,403,661	3,494,647	4,013,828	4,440,346	4,481,899	4,478,646
Miscellaneous	652,055	382,952	212,079	289,880	263,385	123,300
Total Revenues	13,076,587	13,264,112	15,087,555	15,644,919	15,695,185	16,509,092
<b><u>EXPENDITURES</u></b>						
General Government	1,827,489	2,027,868	1,872,710	1,940,949	1,820,620	2,045,372
Police	3,938,440	4,129,507	4,317,704	4,642,381	4,575,141	5,006,654
Public Works	2,979,599	3,127,512	3,298,099	3,451,797	3,285,648	3,507,759
Recreation	875,888	911,957	899,148	1,109,234	974,780	1,176,307
Housing and Community Development	758,430	955,228	907,969	1,091,921	994,870	1,349,500
Communications	220,524	299,080	323,696	347,919	341,917	360,484
Library	650,934	685,218	726,621	866,172	804,042	880,054
Non-departmental	403,593	606,117	607,466	886,815	557,540	1,263,977
Capital outlay	1,042,789	394,641	1,166,388	2,202,562	1,579,192	1,265,674
Debt service	1,054,932	307,088	373,930	892,484	856,285	871,313
Total Expenditures	13,752,618	13,444,216	14,493,731	17,432,234	15,790,035	17,727,094
Excess (deficiency) of revenues over expenditures	(676,031)	(180,104)	593,824	(1,787,315)	(94,850)	(1,218,002)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>						
Bond proceeds	380,000	19,475	2,005,000	0	0	0
Sale of Property	0	0	0	155,000	155,000	226,500
Operating transfers in (out)	(330,929)	(3,019,513)	(403,141)	(1,061,661)	(1,060,163)	(231,139)
Total Other Financing Sources (Uses)	49,071	(3,000,038)	1,601,859	(906,661)	(905,163)	(4,639)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(626,960)	(3,180,142)	2,195,683	(2,693,976)	(1,000,013)	(1,222,641)
<b><u>FUND BALANCE</u></b>						
Beginning of year	6,496,510	5,869,550	2,689,408	4,885,091	4,885,091	3,885,078
End of year	5,869,550	2,689,408	4,885,091	2,191,115	3,885,078	2,662,437

**GENERAL FUND  
FUND BALANCE PROJECTION**

	<u>As Of July 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>As Of June 30, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>As Of June 30, 2007</u>
Street Loan Proceeds	1,229,659	0	865,776	363,883	0	91,300	272,583
Emergency Reserve	323,188	0	0	323,188	0	0	323,188
Equipment Replacement Reserve	1,004,254	100,000	362,090	742,164	300,000	381,394	660,770
Total Reserved Fund Balance	2,557,101	100,000	1,227,866	1,429,235	300,000	472,694	1,256,541
Total Unreserved Fund Balance	2,327,990	227,853	100,000	2,455,843		1,049,947	1,405,896
<b>Total Fund Balance</b>	<b>4,885,091</b>			<b>3,885,078</b>			<b>2,662,437</b>

# **FY 2007 REVENUES - GENERAL FUND**

<b><u>REVENUES BY SOURCE</u></b>	<b><u>Audited FY03</u></b>	<b><u>Audited FY04</u></b>	<b><u>Audited FY05</u></b>	<b><u>Budgeted FY06</u></b>	<b><u>Estimated FY06</u></b>	<b><u>Budgeted FY07</u></b>
<b>Taxes and Utility Fees</b>						
Real Property	5,680,412	6,078,458	6,923,415	7,247,406	7,266,886	8,057,270
Personal Property	327,293	422,086	401,076	367,425	320,000	320,000
RR and Public Utilities	145,536	162,693	174,723	159,750	167,408	170,000
Penalties and Interest	30,964	39,162	41,668	32,000	32,000	32,000
Admission and Amusement	0	39	108	100	100	100
Additions and Abatements	70,072	(16,389)	13,532	0	(35,000)	0
Highway	410,920	349,128	530,617	598,158	592,163	648,422
Income Tax	1,449,810	1,583,275	1,740,886	1,571,000	1,631,220	1,672,000
<b>Total--Taxes and Utility Fees</b>	<b>8,115,007</b>	<b>8,618,452</b>	<b>9,826,025</b>	<b>9,975,839</b>	<b>9,974,777</b>	<b>10,899,792</b>
<b>Licenses and Permits</b>	<b>30,686</b>	<b>60,841</b>	<b>63,610</b>	<b>66,854</b>	<b>56,024</b>	<b>56,754</b>
<b>Fines and Forfeitures</b>	<b>130,455</b>	<b>104,539</b>	<b>179,323</b>	<b>186,000</b>	<b>193,000</b>	<b>178,000</b>
<b>Use of Money and Property</b>	<b>174,989</b>	<b>67,280</b>	<b>130,511</b>	<b>106,000</b>	<b>155,500</b>	<b>111,000</b>
<b>Charges for Services</b>						
Inspection Fees	209,702	184,581	307,210	220,000	250,000	278,600
Donations	12,170	11,329	2,465	5,000	200	1,000
Steve Francis Foundation	0	2,500	0	0	0	0
Public Parking Facilities	54,043	48,343	46,018	54,000	45,000	45,000
Waste Collection & Disposal Charges	84,275	70,397	64,123	76,000	73,000	73,000
Recreation Programs and Services	190,217	202,738	231,029	210,000	190,400	252,000
Fines--Library	19,327	15,513	11,334	15,000	12,000	12,000
<b>Total--Charges for Services</b>	<b>569,734</b>	<b>535,401</b>	<b>662,179</b>	<b>580,000</b>	<b>570,600</b>	<b>661,600</b>
<b>Intergovernmental Revenues</b>						
Police Protection (State)	370,891	394,081	432,409	450,000	476,904	411,674
SCCP Grant	3,015	305	3,500	0	0	0
Bank Share Tax	5,643	5,643	5,643	5,643	5,643	5,643
Library Aid	84,590	89,674	90,482	89,670	103,573	103,620
Police Rebate	424,995	453,807	454,884	552,183	564,669	564,669
In Lieu of Police	1,711,206	1,754,320	2,111,318	2,344,286	2,322,023	2,322,023
In Lieu of Roads Maintenance	270,033	250,923	339,903	430,079	430,079	442,624
In Lieu of Parks Maintenance	68,217	69,786	71,740	71,670	71,670	77,229
In Lieu of Crossing Guard	88,717	107,307	121,738	130,435	130,435	163,193
Revenue Authority--In Lieu of Taxes	20,800	5,200	0	0	0	0
Takoma/Langley Rec. Agreement	100,000	100,000	100,000	100,000	100,000	100,000
Hotel Motel Tax	75,716	72,739	83,929	65,000	75,000	75,000
Cable Franchise Fees	101,168	127,392	140,284	141,932	141,903	150,971
Cable--Operating	78,670	63,470	57,998	59,448	60,000	62,000
<b>Total--Intergovernmental Revenues</b>	<b>3,403,661</b>	<b>3,494,647</b>	<b>4,013,828</b>	<b>4,440,346</b>	<b>4,481,899</b>	<b>4,478,646</b>

# **FY 2007 REVENUES - GENERAL FUND**

<b><u>REVENUES BY SOURCE</u></b>	<b><u>Audited FY03</u></b>	<b><u>Audited FY04</u></b>	<b><u>Audited FY05</u></b>	<b><u>Budgeted FY06</u></b>	<b><u>Estimated FY06</u></b>	<b><u>Budgeted FY07</u></b>
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**Miscellaneous**

Tree Fund	0	10,000	10,000	15,000	15,000	0
Sales of Impounded Equipment	825	15	0	0	0	0
Advertising--Bus Shelters	5,080	11,358	6,676	4,000	6,000	6,000
Farmer's Market	3,120	3,269	3,120	3,500	3,000	3,000
GASB Accrual Reserve	0	0	7,931	0	0	0
Other	162,264	160,257	21,642	29,900	25,000	25,000
Telephone Commissions	2,097	560	202	200	200	300
Recyclable Sales	1,753	1,374	7,908	1,000	7,000	7,000
Insurance Claims	27,593	23,096	0	1,000	4,305	2,000
Sale of City Property	36,510	0	0	0	201	0
Mulch Sales	10,210	14,847	16,554	12,000	12,000	12,000
Passport Services	30,916	37,103	28,690	30,000	30,000	30,000
Takoma Langley Crossroads	2,250	13,333	3,333	3,333	3,333	0
Special Trash Pickup	11,450	6,900	7,770	8,000	8,000	8,000
Sales Tax	0	6	0	0	7	0
WSSC	260,170	74,832	72,253	25,000	18,392	0
Affordable Housing	71,817	0	0	0	0	0
WAH Administration Fee	26,000	26,000	26,000	26,000	0	0
Day Laborer Site	0	0	0	39,000	39,000	30,000
Takoma Foundation Grant	0	0	0	91,947	91,947	0
Total--Miscellaneous	652,055	382,950	212,079	289,880	263,385	123,300
<b>Total General Fund Revenues</b>	<b>13,076,587</b>	<b>13,264,110</b>	<b>15,087,555</b>	<b>15,644,919</b>	<b>15,695,185</b>	<b>16,509,092</b>

*Note: Monies derived from donations were classified as Miscellaneous in the FY05 audit. In prior years, they were reflected as Charges for Service and are shown in the same manner for FY05 for comparative purposes.*

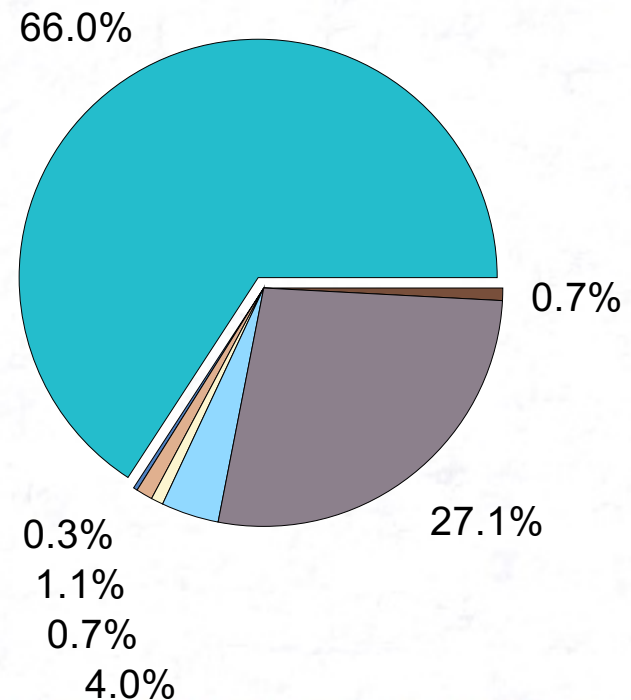
*Similarly, cable franchise fees and cable operating revenues were categorized as Charges for Service in the FY05 audit. In prior years, they were shown as Intergovernmental Revenues and are shown in the same manner for FY05 for comparative purposes.*

# FY 07 Budget General Fund

## Revenues by Type

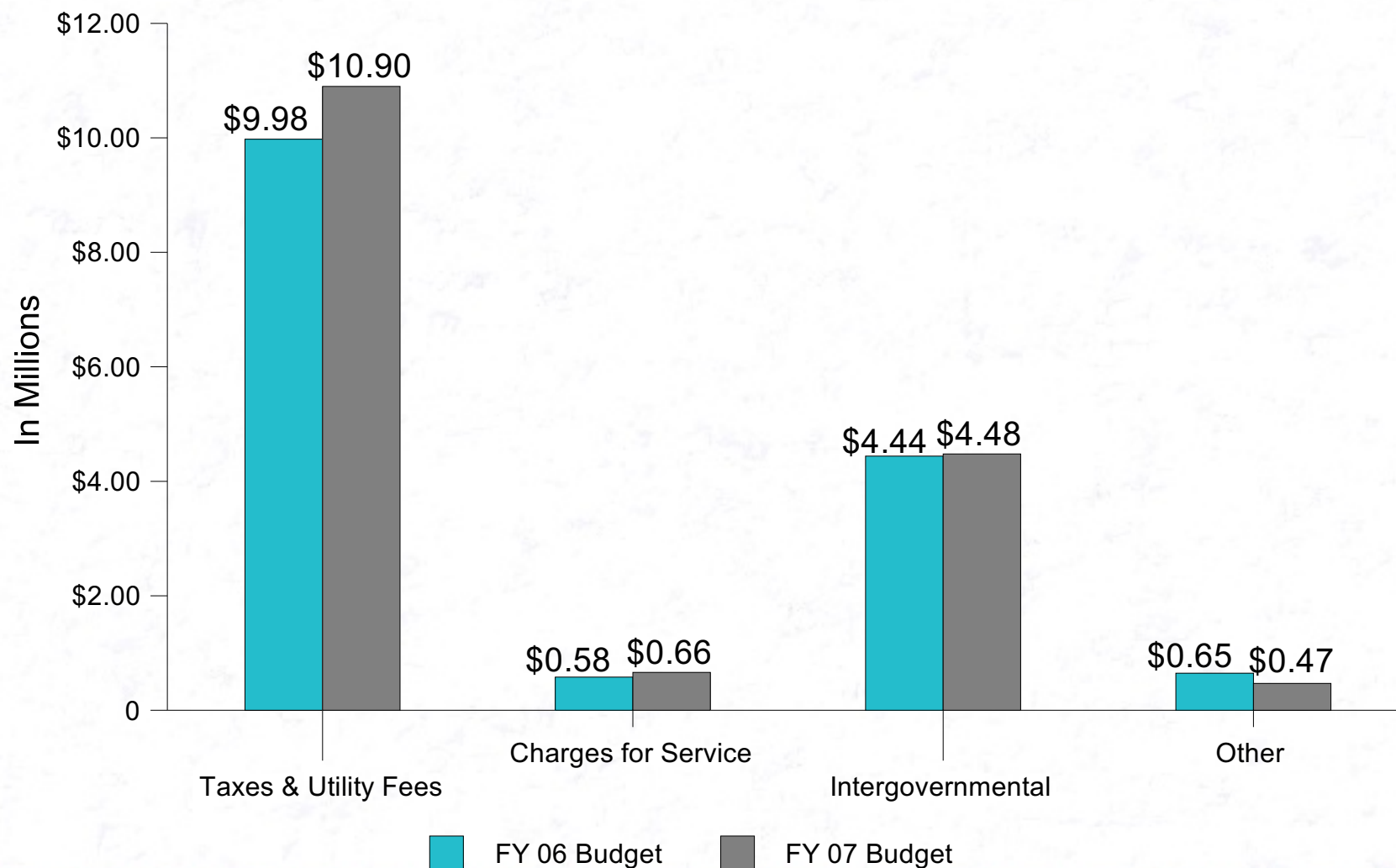
TOTAL = \$16,509,092

	Taxes & Utility Fees - \$10,899,792
	Licenses & Permits - \$56,754
	Fines & Forfeitures - \$178,000
	Use of Money & Property - \$111,000
	Charges for Service - \$661,600
	Intergovernmental - \$4,478,646
	Miscellaneous - \$123,300



# FY 06 vs FY 76 Budget

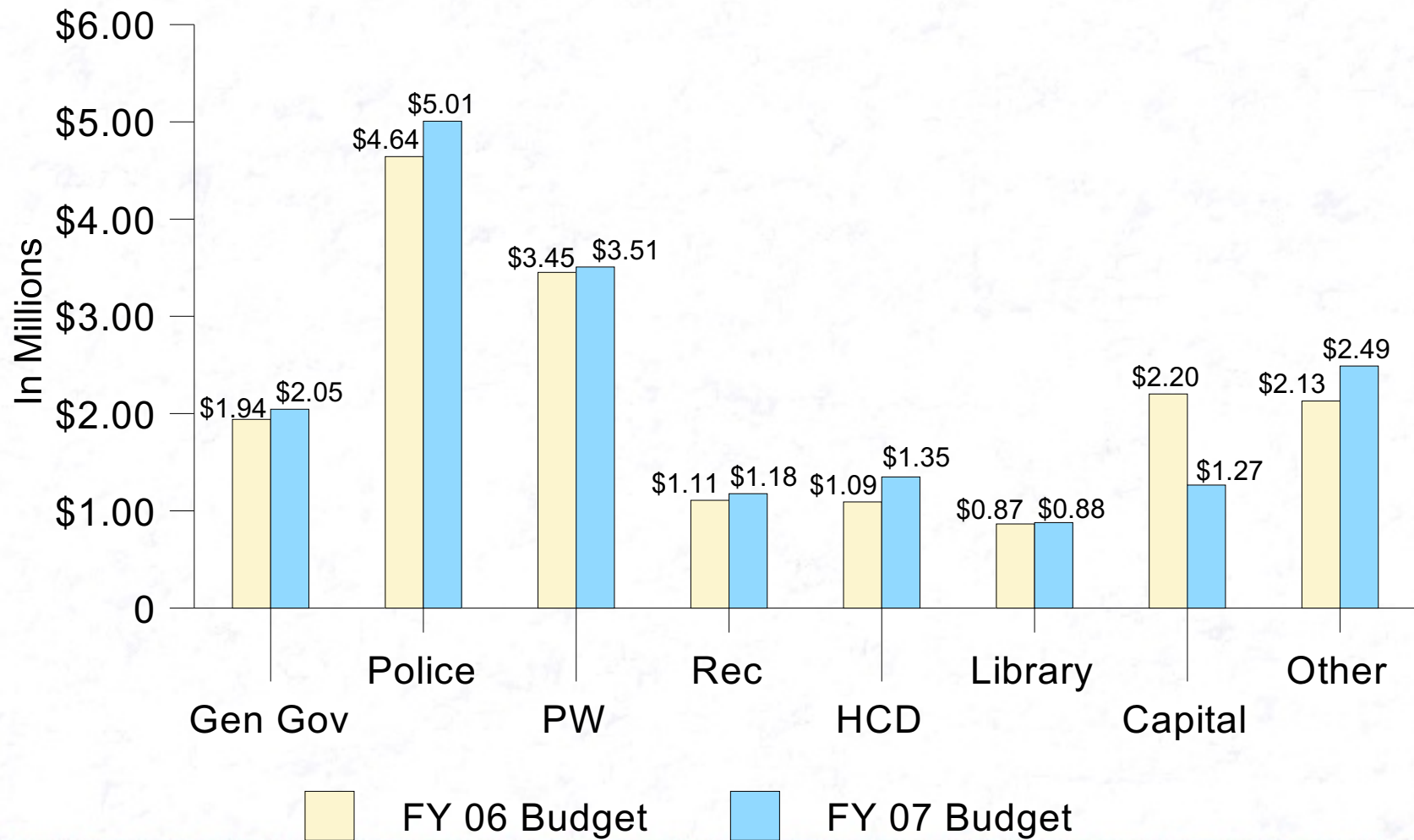
## General Fund Revenues by Type





# FY 06 vs FY 07 Budget

## General Fund Expenditures





# FY 07 Budget General Fund

## Expenditures By Department

TOTAL = \$17,727,094

	General Government - \$2,045,372
	Police - \$5,006,654
	Public Works - \$3,507,759
	Recreation - \$1,176,307
	Housing & Comm Dev - \$1,349,500
	Communications - \$360,484
	Library - \$880,054
	Non- Departmental - \$1,263,977
	Capital Outlay - \$1,265,674
	Debt Service - \$871,313

